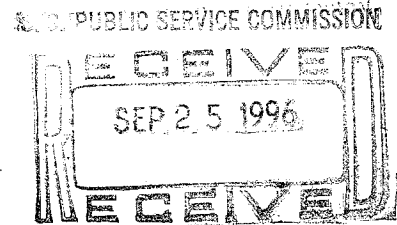


POSTED  
9/25/96

STATE OF SOUTH CAROLINA  
PUBLIC SERVICE COMMISSION  
COLUMBIA



DOCKET NO. 96-137-W/S

BEFORE THE SOUTH CAROLINA PUBLIC SERVICE COMMISSION

In the Matter of:

Application by Tega Cay Water Service, Inc.

for the Authority to Increase Its Rates

for Providing Water and Sewer Utility Service

in the Tega Cay Community



Testimony of

CARL DANIEL

Vice President and Regional Director of Operations

Tega Cay Water Service, Inc.

5701 Westpark Drive, Suite 101

Charlotte, North Carolina 28210

September 25, 1996

RETURN DATE:

SERVICE: OK - per David Butler, also  
served Douglas Christensen, Interviewer  
on 9/25/96

**Tega Cay Water Service, Inc.  
Docket No. 96-137-W/S  
Direct Testimony of Carl Daniel**

1       **Q. Mr. Daniel, please state your business address for the record?**

2       A. My name is Carl Daniel, and my business address is 5701 Westpark Drive, Suite  
3       101, Charlotte, North Carolina 28217.

4  
5       **Q. By whom are you employed and what is your position ?**

6       A. I am Regional Vice President for several operating subsidiaries of Utilities, Inc. in  
7       the Carolinas including Tega Cay Water Service.

8  
9       **Q. Please state your professional and educational experience.**

10      A. I hold an Associates Degree in Business from Germanna College in Virginia. I am  
11      certified in both water and wastewater operations in the state of North Carolina.  
12      Throughout my career, I have held the positions of Operator, Operating Manager,  
13      Area Manager, Regional Director, and Vice President. During that time I have both  
14      operated and managed water supply systems and wastewater treatment facilities.  
15      Also, I have overseen the completion of major capital improvements and have been  
16      the Company spokesperson with regard to health, environment, and utility  
17      regulations in several states.

18  
19      **Q. What are your duties with Tega Cay Water Service?**

20      A. I am responsible for making sure our customers receive the best possible service.  
21      As such, I am responsible for all operating personnel, facilities, maintenance and  
22      capital projects. In addition, I am also responsible for communications with state  
23      and federal regulators, including the Commission, regarding environmental and  
24      drinking water standards as well as other operational issues.

25  
26      **Q. Would you describe your experience in testifying before state utility  
27      commissions regarding rate cases?**

28      A. Yes, I have testified before the commissions in North Carolina, South Carolina,  
29      Maryland, and Virginia.

30  
31      **Q. What is the purpose of your testimony?**

32      A. The purpose of my testimony is to provide the Commission and our customers with  
33      an operational perspective of our water and wastewater facilities and to provide  
34      information and testimony as to the level of service we provide our customers in the  
35      Tega Cay Community.

1     **Q. What capital improvements have been made by Tega Cay Water**  
2     **Service to the wastewater treatment plants and the sewer collection**  
3     **system?**

4     A. Prior to listing some of the capital improvements, I would like to give you a brief  
5     overview of the wastewater services we provide our Tega Cay customers. First of  
6     all, Tega Cay, a community located on the shore of Lake Wylie, is served by not  
7     one but three separate wastewater treatment facilities, in excess of 20 sewer lift  
8     stations, and approximately 31 miles of sewer collection and force mains. Once the  
9     wastewater leaves the customer's home, it is transported via the wastewater  
10    collection system. In many cases, the wastewater is pumped several times through  
11    various lift stations to one of three wastewater treatment plants where it is properly  
12    treated prior to being discharged into the main channels of Lake Wylie. We are  
13    committed to operating and maintaining the facilities at peak performance and in  
14    compliance with the increasingly more stringent EPA and DHEC regulations.  
15    Below is a list of some of the capital improvements made by Tega Cay Water  
16    Service over the past few years:

- 17       • Jet cleaned approximately 10% of the wastewater collection system each  
18       year.
- 19       • Televised troubled areas within the sewer collection system and made  
20       repairs where necessary.
- 21       • Upgraded most of the 20+ lift stations located throughout the  
22       community to include but not limited to pump replacement, alarms,  
23       and electrical upgrades to insure proper operations.
- 24       • Located and raised numerous manholes to ensure proper maintenance of  
25       the sewer collection system.
- 26       • Upgraded, modified, and made various repairs at each of the three  
27       wastewater treatment plants.
  - 28           • Replaced settling tubes in clarifier.
  - 29           • Constructed lab area for process control testing to insure  
30           compliance with NPDES permit limits.
  - 31           • Sandblasted and painted 2 of the 3 WWTP's.
  - 32           • Installed safety railings around the aeration basins.
  - 33           • Replaced sludge collector.
  - 34           • Repaired divider wall.

1       **Q. Since your company's ownership, what have you done to improve**  
2       **water quality?**

3       A. Tega Cay Water Service with the assistance of Tega Cay elected officials and  
4       approval by the Public Service Commission provides treated surface water to its  
5       customers via a bulk water purchase agreement with York County. The community  
6       has applauded our efforts for the improved water quality. In fact, we have received  
7       numerous compliments.  
8

9       **Q. Have the Tega Cay customers benefited from the purchase of bulk**  
10      **water?**

11      A. Yes, the customers are receiving a much improved water quality that is softer and  
12      contains far less minerals. The improved water quality in most cases has eliminated  
13      the need for individual water softeners and the purchase of bottled water and  
14      customers should also experience longer life for their hot water heaters,  
15      dishwashers and household plumbing. The purchase of bulk water also improved  
16      water service reliability and fire fighting capability.  
17

18      **Q. Did Tega Cay Water Service incur any capital cost when you obtained**  
19      **bulk water service from York County?**

20      A. Yes, in addition to the numerous hours spent by company management, engineers,  
21      and operations staff, TCWS extended a 12" ductile iron water main from within  
22      Tega Cay to the York County main located outside of the Tega Cay main entrance in  
23      order to obtain bulk water.  
24

25      **Q. Does this conclude your testimony?**

26      A. Yes.  
27  
28